

State of California

California Energy Commission Minutes of the August 10, 2022, Energy Commission Business Meeting

The meeting was called to order by Chair Hochschild. The Pledge of Allegiance was led by Commissioner Vaccaro.

Present:

David Hochschild, Chair

Siva Gunda, Vice Chair

Kourtney Vaccaro, Commissioner

Patricia Monahan, Commissioner

J. Andrew McAllister, Commissioner

Please note that the California Energy Commission (CEC) aims to begin the business meeting promptly at the start time and the end time is an estimate based on the agenda proposed. The meeting may end sooner or later than the time indicated depending on various factors.

Pursuant to the California Code of Regulations, title 20, section 1104(e), any person may make an oral comment on any agenda item. To ensure the orderly conduct of business, such comments will be limited to three minutes or less per person. Any person wishing to comment on information items or reports (non-voting items) shall speak during the public comment portion of the meeting and have three minutes or less to address all remaining comments.

THE CEC WILL CONSIDER AND MAY TAKE ACTION ON THE FOLLOWING:

1. Consent Calendar.

Items will be taken up and voted on as a group. A commissioner may request that an item be moved and discussed later in the meeting.

- a. The Board of Trustees of the Leland Stanford Junior University. Proposed resolution approving Agreement 800-22-001 with the Board of Trustees of the Leland Stanford Junior University for a \$25,000 one-year contract for the CEC to be a member of the Energy Modeling Forum (EMF) Affiliates Program. The purpose of the membership is to participate in an energy-environmental network of experts and modelers working on the EMF 37 High Electricity Futures study which seeks to explore the opportunities, limitations, trade-offs, and robustness of results associated with high electrification in North America. (ERPA Funding) Contact: Nicholas Janusch
- b. Hydrogen Technology Ventures, LLC. Proposed resolution approving Agreement ZVI-22-008 with Hydrogen Technology Ventures, LLC for a \$200,000 grant to develop a blueprint planning document that will outline the buildout for medium- and heavy-duty (MD/HD) hydrogen refueling infrastructure in Riverside County, California, and adopting staff's determination that this action is exempt from CEQA. (General Fund Funding) Contact: Chris Jenks
- c. Aspen Environmental Group. Proposed resolution approving Agreement 700-22-003 with the Aspen Environmental Group for a \$3,000,000 contract to assist in

evaluating applications for energy facilities, monitoring compliance for permitted facilities, and reviewing petitions to amend or modify permitted facilities; and supporting environmental impact assessment, engineering, climate, and related issues. (EFLCF and COIA Funding) Contact: Hilarie Anderson

- d. Amendments to Conflict-of-Interest Code. Proposed resolution approving amendments to the CEC's Conflict-of-Interest Code, California Code of Regulations, title 20, sections 2401 and 2402. The resolution authorizes the initiation of a staff comment period on the proposed amendments and submission of the proposed amendments to the Fair Political Practices Commission for approval pursuant to the Political Reform Act (Act). The Conflict-of-Interest Code specifies which employees must file a Form 700 Statement of Economic Interests and which interests they must report. The Act requires state agencies to consider updates to their Conflict-of-Interest Codes on a biennial basis and when the agency has added positions, eliminated positions, or modified its organizational structure. Contact: Josephine Crosby
- e. National Wind Technology Consortium, Inc. dba National Offshore Wind Research and Development Consortium (NOWRDC). Proposed resolution approving Agreement 300-22-001 with the National Wind Technology Consortium, Inc. dba NOWRDC for a two-year plus three months, prorated Public Sponsor Membership invoiced annually at \$25,000, for a total of \$60,000, including the use of the CEC logo in membership advertisements, and adopting staff's determination that this membership is not a project under CEQA. The NOWRDC is a nationally focused, not-for-profit organization collaborating with industry, state, and federal government on research and development activities to reduce the levelized-cost of offshore wind energy in the United States while maximizing other economic and social benefits. (EPIC Funding) Contact: Rizaldo Aldas
- ~~f. Hell's Kitchen Geothermal LLC. Proposed resolution approving Amendment 1 to grant Agreement EPC 19-018 with Hell's Kitchen Geothermal LLC. This amendment approves Phase II of the Scope of Work (SOW), authorizes the expenditure of funds for Phase II, includes minor changes to the SOW (not to the project's purpose), and adopts staff's determination that this project is exempt from CEQA. Phase II includes procuring required materials and equipment, and constructing, commissioning, and operating the pilot facility. Additionally, the project will determine the exact chemical composition of geothermal brine at the site, gather scaling factors for designing larger scale plants, and provide techno-economic assessment for commercial scale operations. (EPIC Funding) Contact: Nadia Richards~~

Commissioner Vaccaro moved to approve Item 1. Vice Chair Gunda seconded. The vote was (5-0).

2. Offshore Wind Report. [Previously item 5]

Proposed resolution to adopt the final report *Offshore Wind Energy Development in Federal Waters Offshore the California Coast: Maximum Feasibly Capacity and Megawatt Planning Goals for 2030 and 2045*. This report addresses the

requirements for the CEC to evaluate and quantify the maximum feasible capacity for offshore wind to achieve reliability, ratepayer, employment, and decarbonization benefits and establish megawatt planning goals for 2030 and 2045, and supports the development of an offshore wind strategic plan as required by Assembly Bill 525 (AB 525, Chiu, Chapter 231, Statutes of 2021). Contact: Rhetta DeMesa (Staff Presentation: 10 minutes)

Vice Chair Gunda moved to approve Item 2. Commissioner Vaccaro seconded. The vote was (5-0).

3. Information Item on the 2021 Diversity Report. [Previously item 2]

Staff will provide an update on the progress made and efforts conducted through the CEC's Inclusion Diversity Equity and Access (IDEA) Initiative. IDEA seeks to strengthen the CEC's culture of belonging and the CEC's policy to optimize opportunities for California Native American Tribes, diverse businesses, disadvantaged communities, and all Californians to participate in and benefit from CEC programs. IDEA co-executive sponsors will present recommendations to improve the workplace and increase benefits to communities through programs led by divisions. Contact: Noemí Gallardo (Staff Presentation: 15 minutes)

Noemí Gallardo presented an update on the progress made and efforts conducted through the CEC's IDEA Initiative. Information item only, no vote was taken.

After Item 3 was voted on, Chair Hochschild announced a lunch break and reconvene at 1:45 p.m.

Chair Hochschild reconvened the meeting at 1:45 p.m.

4. Information Item on Fellowship Projects under Chair Hochschild's Office. [Previously item 12]

Two fellows in Chair David Hochschild's office will present brief summaries of work completed during their fellowships. Jess Frisbie, a CivicWell fellow, will present work supporting the Lithium Valley Commission. Kapil Dheeryia, a Stanford Shultz fellow, will present work related to gas transition planning and research. Contact: Terra Weeks (Staff Presentation: 10 minutes)

Jess Frisbie, Kapil Dheeryia, and Akruti Gupta presented a summary of work supporting the Lithium Valley Commission and work related to gas transition planning and research. Information item only, no vote was taken.

5. Small Power Plant Exemption (SPPE) for the CA3 Backup Generating Facility (21-SPPE-01).

Public hearing and proposed order adopting the Committee Proposed Decision and errata on the application for an SPPE for the CA3 Backup Generating Facility (21-SPPE-01). The proposed decision includes a recommendation on whether to certify the environmental impact report prepared pursuant to CEQA. Contact: Susan Cochran (Staff Presentation: 10 minutes)

- a. Possible closed session deliberation on the above described SPPE.
(Government Code Section 11126(c)(3))

Vice Chair Gunda moved to approve Item 5. Commissioner Vaccaro seconded. The vote was (5-0).

6. Demand Side Grid Support (DSGS) Program (22-RENEW-01).

Proposed resolution adopting the *DSGS Program Guidelines, First Edition*, and adopting staff's determination that this action is exempt from CEQA. The guidelines provide the requirements for program participation and eligibility and describe the program application, reporting requirements, incentive structures, and payment process. Contact: Ashley Emery (Staff Presentation: 10 minutes)

[Due to a numbering error, there is no Item 7 on this agenda]

Vice Chair Gunda moved to approve Item 6. Commissioner McAllister seconded. The vote was (5-0).

8. Local Ordinances for the City of Santa Clara and the County of Santa Clara.

Proposed resolutions finding that applications submitted by local jurisdictions contain ordinances that satisfy the statutory requirements in Public Resources Code section 25402.1(h)(2). Contact: Danuta Drozdowicz (Staff Presentation: 5 minutes)

- a. City of Santa Clara. The ordinance contains requirements that new hotel/motel and high-rise multifamily buildings with 10 stories or fewer, and new nonresidential buildings with three stories or fewer, install photovoltaic (PV) systems.
- b. County of Santa Clara. The ordinance contains requirements that new nonresidential, high-rise residential, and hotel/motel buildings install PV systems.

Before Item 8 was voted on, Chair Hochschild announced that Vice Chair Gunda had to leave to depart to the legislative hearing.

Commissioner McAllister moved to approve Item 8. Commissioner Vaccaro seconded. The vote was (4-0).

9. California Clean Energy Fund dba CalCEF Ventures.

Proposed resolution approving Amendment 3 to Agreement EPC-18-002 with California Clean Energy Fund dba CalCEF Ventures to continue and expand the successful California Test Bed (CalTestBed) program established under this agreement, and adopting staff's determination that this action is exempt from CEQA. This amendment will provide an additional \$10,998,701 in follow-on funding and extend the agreement term by four years, enabling CalTestBed to continue providing critical technology testing and commercialization services to California clean energy entrepreneurs. This program leverages partnerships with more than 60 testing facilities spread across nine University of California campuses and the Lawrence Berkeley National Lab to provide clean energy companies access to testing facilities to test prototypes of pre-commercial distributed energy resource technologies and help them refine their prototype to meet customer specifications. (EPIC Funding) Contact: Molly O'Hagan (Staff Presentation: 5 minutes)

Commissioner McAllister moved to approve Item 9. Commissioner Vaccaro seconded. The vote was (4-0).

10. Smartville, Inc.

Proposed resolution approving Agreement EPC-22-003 with Smartville, Inc. for a \$2,000,000 grant to accelerate its modular assembly energy storage system product development for second life batteries, and adopting staff's determination that this action is exempt from CEQA. With this funding, the recipient will avoid potential funding shortfalls as it moves quickly from a successful pilot project to commercialization. The project will 1) iterate on the existing battery energy storage system design with the objective of reducing fabrication and build costs, 2) create an initial production facility at its headquarters in Carlsbad, California, and 3) retrofit the pilot site from a previous EPIC project with an updated version of Smartville's energy storage product. (EPIC Funding) Contact: Liet Le (Staff Presentation: 5 minutes)

Commissioner McAllister moved to approve Item 10. Commissioner Monahan seconded. The vote was (4-0).

11. Vehicle-to-Building Technologies for Resilient Backup Power (GFO-21-303).

This solicitation sought proposals to advance and demonstrate bidirectional charging technologies that allow electric vehicles (EVs) to provide backup power and other electric services to facilities during outages or intentional islanding from the electric grid. (EPIC Funding) Contact: Ben Wender (Staff Presentation: 10 minutes)

- a. The Regents of the University of California, on behalf of the Davis Campus. Proposed resolution approving Agreement EPC-22-002 with the Regents of the University of California, on behalf of the Davis Campus for a \$3,000,362 grant, and adopting staff's determination that this action is exempt from CEQA. The project will improve, install, and evaluate bidirectional chargers for heavy duty electric vehicles (EV) to provide backup power and other demand modifying services at a facility in Oakland.
- b. Gridtractor, A California Corporation. Proposed resolution approving Agreement EPC-22-004 with Gridtractor, A California Corporation for a \$2,999,567 grant to demonstrate an on-farm mobile microgrid concept using battery-electric agricultural tractors, and adopting staff's determination that this action is exempt from CEQA. The project will develop and demonstrate high power discharge capabilities for electric tractors, integrate bidirectional chargers with on-farm electrical service points, support loads during outages, participate in demand response, and load shift in response to time-of-use tariffs.
- c. Gridscape Solutions, Inc. Proposed resolution approving Agreement EPC-22-005 with Gridscape Solutions, Inc. for a \$4,000,000 grant to advance and demonstrate an innovative direct current-coupled bidirectional charging platform capable of discharging multiple EVs using a centralized Rule 21-compliant grid forming inverter, and adopting staff's determination that this action is exempt from CEQA. The project will demonstrate discharging of EVs to power public buildings at three sites in a low-income, a disadvantaged, and a Tribal community.

Commissioner McAllister moved to approve Item 11. Commissioner Monahan seconded. The vote was (4-0).

12. EVgo Services LLC.

Proposed resolution approving Agreement ZVI-22-006 with EVgo Services LLC for a \$1,934,512 grant to provide 26 direct current fast charger stalls for high mileage on-demand transportation services at one site in Los Angeles, and adopting staff's determination that this action is exempt from CEQA. (General Fund Funding)

Contact: Kyle Corrigan (Staff Presentation: 5 minutes)

Commissioner Monahan moved to approve Item 12. Commissioner Vaccaro seconded. The vote was (4-0).

13. GRID Alternatives Greater Los Angeles, Inc.

Proposed resolution approving Agreement ZVI-22-007 with GRID Alternatives Greater Los Angeles, Inc. for a \$1,099,211 grant to deploy 30 EV charging stations at several Housing Authority of the City of Los Angeles multifamily complexes throughout Los Angeles County, and adopting staff's determination that this action is exempt from CEQA. (General Fund Funding) Contact: Phil Cazel (Staff Presentation: 5 minutes)

Commissioner Monahan moved to approve Item 13. Commissioner Vaccaro seconded. The vote was (4-0).

14. Minutes.

Possible approval of the July 13, 2022, Business Meeting minutes.

Commissioner McAllister moved to approve Item 14. Commissioner Monahan seconded. Commissioner Vaccaro abstained from her vote. The vote was (3-0).

15. Lead Commissioner or Presiding Member Reports.

The Commissioners reported on their recent activities.

16. Executive Director's Report.

The Executive Director gave a report.

17. Public Advisor's Report.

The Public Advisor had nothing to report.

18. Public Comment.

Claire Warshaw, Self

19. Chief Counsel's Report.

Pursuant to Government Code section 11126(e)(1), the CEC may adjourn to closed session with its legal counsel to discuss any of the following matters to which the CEC is a party:

Interlink Products International, Inc. v. Xavier Becerra, Drew Bohan, Melissa Rae King (United States District Court for the Eastern District of California, Case No. 2:20-cv-02283)

Pursuant to Government Code section 11126(e)(2), the CEC may also adjourn to closed session with its legal counsel to discuss facts and circumstances that may warrant the initiation of litigation:

CEC grant agreement with Colony Energy Partners – Tulare, LLC (ARV-14-029).

The Chief Counsel had nothing to report.

Appearances:

Dennis McGinn, retired Admiral

Eddie Ahn, Offshore Wind Now Coalition

Kelly Boyd, Equinor Offshore Wind

Sharon Golden, Operating Engineers Local 3

Chris Snyder, Operation Engineers Local 3

Larissa Petrucci, NorCal Construction Industry Compliance

Jeff Hunerlach, Operating Engineers Local 3

Denise Rushing, New Energy Nexus

Mark Mulliner, California State Building Trades

Sarah Xu, Brightline Defense Project

Adam Stern, Offshore Wind California

Kalysta Barrios, Student, UC Merced

Mario Salinas, LiUNA Laborers Local 220

Cassandra Boyce, Student, UC Merced

Meenatchi Odaiyappan, Center for Energy Efficiency and Renewable Technology (CEERT)

Dan Jacobson, Environment California

Kate Kelly, Defenders of Wildlife

Kris Ohleth, Special Initiative on Offshore Wind

Trevor Zierhut, Laborers Local 585

Katerina Oskarsson, Redwood Region Climate and Community Resilience Hub

Sarah Sachs, Ceres

Manley McNinch, Southwest Regional Council of Carpenters

Taylor Christy, Business Network for offshore Wind

Varner Seaman, American Clean Power Association

Treston Shull, Laborers Union Local 324

Frank Harris, California Municipal Utilities Association

Sean Soni, SoCalGas

Katharine Larson, SMUD

Randi Jenkins, University of California Office of the President

Tenley Dalstrom, CalTestBed

Alecia Ward, Lawrence Berkeley National Laboratory

Michael Ferry, Smartville, Inc.

David Meyers, Gridtractor

Cori Jackson, UC Davis

Claire Warshaw, Self

Kate Gridley, EVgo

There being no further business meeting was adjourned.

Respectfully submitted,

LIZA LOPEZ
Secretariat